

**DEPARTMENT OF FINANCE AND ADMINISTRATION
ADMINISTRATIVE MEMORANDUM**

300.7.1 TITLE: Tax Obligations
ISSUING OFFICE: Director's Office
DISTRIBUTION THROUGH: All DFA Employees (LEVEL)
DATE ISSUED/REVISED: 1/25/06 REPLACES: _____ DATED: 6/01/89

One Mission of the Department of Finance and Administration is to encourage and achieve the highest possible degree of voluntary compliance with the tax laws and regulations and to maintain the highest degree of public confidence in the integrity and efficiency of the Department of Finance and Administration. In light of this mission, it is imperative that our employees comply fully with all applicable requirements of governmental taxing authorities at all levels - State, Federal and Local.

It is expected, therefore, that employees will:

- (a) file timely and properly all tax returns in keeping with the requirements of law, regulation, or ordinance;
- (b) pay timely any valid tax due.

A “**valid tax due**” as used in this subsection includes:

- (a) a balance due on an original return as filed with a governmental agency;
- (b) an uncontested tax assessment of a governmental agency;
- (c) a tax otherwise due a governmental agency which is acknowledged by the employee;
- (d) absent (a), (b), or (c), a liability confirmed by a final assessment by a governmental agency.

A “governmental agency” as used in this subsection includes State, Federal, or local agencies.

Applicants for employment must have a record of compliance with the standards in this memorandum and certify prior compliance as a condition of employment.

Employees' State tax records will be periodically checked after January 1, 1990 for compliance with this memorandum.

Employees who fail to adhere to this memorandum are subject to removal from employment with the Department of Finance and Administration.

Each hiring official will request a completed Acknowledgment of Receipt of the Tax Obligations Policy document to be provided by each individual (before they are hired). The original copy of the document will be attached to all new hire, rehire, transfer and promotion personnel transactions occurring between agencies other than the Department of Finance and Administration, and sent to DFA Human Resources. DFA Human Resources will retain all such documentation.